

O-490-18

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. 3208596

BY THE BLACKCOMPANY LTD.

TO REGISTER THE FOLLOWING SERIES OF TWO TRADE MARKS:

The Black Company

BlackCompany

IN CLASSES 3, 18 AND 25

AND

IN THE MATTER OF OPPOSITION THERETO

UNDER NO. 406233

BY THE WHITE COMPANY (UK) LIMITED

Background and pleadings

1. On 25 January 2017, The BlackCompany Ltd (“the applicant”) applied to register as a series of two the trade marks **The Black Company** and **BlackCompany**. Unless it is necessary to distinguish between the trade marks in the series, I will refer to them in the singular. The application was published for opposition purposes on 10 February 2017 for the following goods:

Class 3 Fragrances

Class 18 Bags

Class 25 Footwear; clothing; jackets; headgear for wear; underwear; socks; coats; jackets; scarfs; sneakers; sneakers [footwear]; trainers; trainers [footwear]; training shoes.

2. The application is opposed by The White Company (UK) Limited (“the opponent”). The opposition is brought under ss. 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”). Under each of these grounds, the opposition is directed against all of the goods in the application.

3. Under ss. 5(2)(b) and 5(3), the opponent relies upon the following trade marks:

(i) UK trade mark number 2450213 for the trade mark **THE WHITE COMPANY** (“the 213 mark”). The mark was filed on 21 March 2007 and was entered in the register on 9 November 2007. The mark is registered for various goods and services but for the purposes of this opposition only the following goods are relied upon:

Class 3 Soaps; bath and shower washes, milks, oils, creams and gels; nail, hand and body creams, serums, milks, gels, oils, moisturisers, lotions; perfumes and perfumery; essential and herbal oils;

cosmetics and toiletries; incense; preparations for use before shaving and after shaving; shaving soap, shaving cream, shaving gels; pot pourri.

Class 25 Clothing; footwear; headgear.

(ii) EUTM 2788578 for the trade mark **THE WHITE COMPANY** (“the 578 mark”). The mark was filed on 25 July 2002 and entered in the register on 30 June 2004. The mark is registered for a range of goods and services; the following goods are relied upon for this opposition:

Class 3 Soaps; perfumery, essential oils, cosmetics, and toiletries; incense.

Class 18 Leather and imitations of leather, and goods made of these materials and not included in other classes; trunks and travelling bags; umbrellas, parasols and walking sticks; leather desk sets and office sets.

Class 25 Clothing; footwear; headgear.

4. Given their dates of filing, both of the above marks qualify as earlier marks in accordance with s. 6 of the Act.

5. Under s. 5(2)(b), the opponent claims that the marks are highly similar and that the goods are similar, which will lead to a likelihood of confusion, including the likelihood of association.

6. Under s. 5(3), the opponent relies upon the two trade marks, and the same goods, set out at paragraph 3, above. The opponent claims that its marks have a reputation in the UK such that use of the mark applied for would cause the relevant public to believe that there is an economic connection between the applicant and the opponent, where

no such connection exists. It claims that the applicant would gain an unfair advantage as it would be able to free-ride on the reputation and attractiveness of the earlier marks and exploit, without paying financial compensation, the marketing efforts made by the opponent. The opponent also claims that use of the mark applied for would cause detriment to the distinctive character of the earlier marks by reducing their ability to denote the goods of the opponent. The opponent claims that this “will affect the economic behaviour of the relevant consumer who will cease to be able to ascertain the origin of goods provided under or by reference to the earlier mark and will therefore be less likely to purchase goods offered under the earlier mark”.

7. In its notice of opposition, the opponent indicated that the above marks have been used for all of the goods upon which it relies. This statement is made because, as both marks had completed their registration process more than 5 years before the publication date of the application in suit, they are subject to the proof of use provisions contained in s. 6A of the Act. The relevant period for genuine use under ss. 5(2)(b) and 5(3) is 11 February 2012 to 10 February 2017.

8. The opponent further claims under s. 5(4)(a) of the Act that the sign **THE WHITE COMPANY** has been used throughout the UK since 1994 in respect of: perfumes and perfumery; essential oils and herbal oils; incense; pot pourri; bags; clothing; footwear; headgear. The opponent claims that it has acquired a significant goodwill under the sign and that use of the mark applied for would amount to a misrepresentation to the relevant public, resulting in damage to the opponent’s goodwill.

9. The applicant filed a counterstatement denying the grounds of opposition and putting the opponent to proof of its claims. It also required the opponent to provide evidence of use of its marks for the goods relied upon.

10. Only the opponent filed evidence. It also filed written submissions during the evidence rounds. Neither party requested a hearing and neither filed written submissions in lieu of attendance. The applicant is not professionally represented; the

opponent has been represented throughout by Dechert LLP. This decision is taken following a careful reading of all of the papers.

Evidence

11. This consists of the witness statement of Paul Kavanagh, with exhibits PK1-PK16. Mr Kavanagh is a partner and solicitor at the opponent's professional representatives. I do not intend to record in detail the content of each exhibit. I have read it all; only the salient points are summarised below.

12. Mr Kavanagh explains that the opponent began trading under the earlier mark in 1994. He indicates that the opponent has "50+" stores across the UK: corroboration for this statement is found in five press articles, dated between January 2011 and January 2014, which refer to the number of stores operated by the opponent at the dates of the articles.¹ The first article is from the *Telegraph* (dated 2011) and describes the opponent as "the high-end retailer known for its white clothing, bed linen and 'Inuit'-style moccasins", employing 1,000 people. Articles from the *FT* (2012) and the *Sunday Times* (2013) report that the company was started in 1994. The *Sunday Times* describes the company as "the bed linen and nightwear specialist". The business is referred to throughout as "The White Company". Mr Kavanagh draws attention to the description of the opponent as "well-known for top quality clothing" in an article from www.mirror.co.uk.² However, that article is dated after the relevant date.

13. Mr Kavanagh provides prints of various social media accounts held by the opponent.³ Being dated October 2017, they do not assist, apart from indicating that "The White Company" joined Twitter in July 2011.

14. "Total" turnover figures for the opponent are provided from 2010, including UK turnover for the period 2012-2016.⁴ These figures show a year-on-year increase in UK

¹ PK2, pp. 1-13.

² PK2, pp. 17-24.

³ §12 and PK8.

turnover from over £111 million to over £175 million. Although Mr Kavanagh indicates that these figures relate to the provision of goods and services under the earlier marks, there is no breakdown to show the proportion of that turnover in relation to the goods relied upon.

15. Prints taken from the Wayback Machine show use of “THE WHITE COMPANY” in word-only form and as shown below on the opponent’s website, thewhitecompany.com, from November 2002 to December 2015:⁵



UK contact details, prices in sterling and the promotion of free UK delivery all suggest that these sites were directed at consumers in the UK. There is no great detail regarding the goods on sale: headings include “bedroom”, “bathroom” and “furniture”. I note, however, that clothing is mentioned from 2002, after which there are specific tabs for clothing on the web pages. Prints dated 2008 refer to men’s, women’s and children’s clothing.⁶ Prints from 2008-2009 refer to “bath and body” (pp. 9, 11), whilst “fragrance”/“scents” appear from 2008 onwards.

16. Exhibits PK9 to PK16 are extracts from catalogues dated between “Spring 2012” and February 2017. All of the prices are in sterling, with UK telephone numbers visible. The stylised mark shown at paragraph 15, above, is shown on the front of each exhibit, as well as on packaging for goods such as bath milk and candles.⁷ “The White Company” in word form is used throughout, as is the website address www.thewhitecompany.com, which is on at least every other page.

⁴ §9 and PK6.

⁵ PK7. The image of the mark is actually from PK9 (it is a better reproduction) but they appear to be identical.

⁶ PK7, p.10.

⁷ See, for example, PK9, pp. 4-5, 7-8.

17. The brochures show various toiletries and cosmetics for sale, such as soap, bath/shower gel, body lotion and hand cream.⁸ Eau de toilette fragrance is offered for sale, as well as scent diffusers, “homescent”, “homespray” and “pillow scent”.⁹ A range of leather goods, such as leather handbags, clutch bags, cosmetic and toiletry bags, purses and card holders are also on offer.¹⁰ In terms of the goods in class 25, there is evidence of women’s clothing for sale in all of these brochures, including goods such as scarves, cardigans, tops, dresses, trousers, nightwear and jackets.¹¹ Although not as extensive, there is also evidence of men’s clothing and sleepwear, socks and slippers on sale.¹² Various types of women’s footwear are shown, as well as some evidence of hats and earmuffs.¹³ Children’s wear is also shown; the mark shown below appears at the beginning of the children’s section of the catalogues, though the website address www.thewhitecompany.com is at the foot of these pages:¹⁴



18. That concludes my summary of the evidence, to the extent I consider necessary.

Proof of use

19. The first issue is whether, or to what extent, the opponent has shown genuine use of the earlier marks. The relevant statutory provisions are as follows:

“Raising of relative grounds in opposition proceedings in case of non-use

6A- (1) This section applies where -

⁸ See, for example, PK12, p. 6, PK13, p.4, PK15, pp. 5-7.

⁹ See, for example, PK12, p. 2, PK13, p.2, PK15, p. 24, PK16, p. 26, PK9, pp. 5-6, 9, 11, PK13, pp. 4-5.

¹⁰ See, for example, PK11, pp. 4-5, 10-12, PK12, pp. 5-6, PK 14, pp. 8, 26, 31.

¹¹ See, for example, PK9, pp.10, 20-21, 35-36, PK10, p.8, PK14, pp. 7, 36-89.

¹² See, for example, PK14, pp. 24, 27, 54-57.

¹³ See, for example, PK11, p. 12, PK14, pp. 4, 23; PK14, pp. 16, 22, 28 and PK15, p. 44.

¹⁴ PK9, pp. 43-50, PK15, pp. 26-58.

- (a) an application for registration of a trade mark has been published,
- (b) there is an earlier trade mark of a kind falling within section 6(1)(a), (b) or (ba) in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and
- (c) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication.

(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

(3) The use conditions are met if –

(a) within the period of five years ending with the date of publication of the application the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or

(b) the earlier trade mark has not been so used, but there are proper reasons for non- use.

(4) For these purposes -

(a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and

(b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(5) In relation to a Community trade mark or international trade mark (EC), any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Community.

(6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services”.

20. Section 100 of the Act is also relevant, which reads:

“100. If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it”.

21. When considering whether genuine use has been shown, I must apply the same factors as if I were determining an application for revocation based on grounds of non-use. What constitutes genuine use has been subject to a number of judgments. In *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Ecotive Limited*, [2016] EWHC 52, Arnold J. summarised the case law on genuine use of trade marks. He said:

“219. I would now summarise the principles for the assessment of whether there has been genuine use of a trade mark established by the case law of the Court of Justice, which also includes Case C-442/07 *Verein Radetsky-Order v Bunderversammlung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I-9223 and Case C-609/11 *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR 7, as follows:

(1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Centrotherm* at [71]; *Leno* at [29].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Centrotherm* at [71]; *Leno* at [29].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic

sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34]; *Leno* at [29]-[30], [56].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32]”.

22. As the 578 mark is an EUTM, the comments of the Court of Justice of the European Union (“CJEU”) in *Leno Merken BV v Hagelkruis Beheer BV*, Case C-149/11, are relevant. The court noted that:

“36. It should, however, be observed that [...] the territorial scope of the use is not a separate condition for genuine use but one of the factors determining genuine use, which must be included in the overall analysis and examined at the same time as other such factors. In that regard, the phrase ‘in the Community’ is intended to define the geographical market serving as the

reference point for all consideration of whether a Community trade mark has been put to genuine use”,

and

“50. Whilst there is admittedly some justification for thinking that a Community trade mark should – because it enjoys more extensive territorial protection than a national trade mark – be used in a larger area than the territory of a single Member State in order for the use to be regarded as ‘genuine use’, it cannot be ruled out that, in certain circumstances, the market for the goods or services for which a Community trade mark has been registered is in fact restricted to the territory of a single Member State. In such a case, use of the Community trade mark on that territory might satisfy the conditions both for genuine use of a Community trade mark and for genuine use of a national trade mark”.

It went on to state:

“55. Since the assessment of whether the use of the trade mark is genuine is carried out by reference to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark serves to create or maintain market shares for the goods or services for which it was registered, it is impossible to determine a priori, and in the abstract, what territorial scope should be chosen in order to determine whether the use of the mark is genuine or not. A *de minimis* rule, which would not allow the national court to appraise all the circumstances of the dispute before it, cannot therefore be laid down (see, by analogy, the order in *La Mer Technology*, paragraphs 25 and 27, and the judgment in *Sunrider v OHIM*, paragraphs 72 and 77)”.

The court held that:

“Article 15(1) of Regulation No 207/2009 of 26 February 2009 on the Community trade mark must be interpreted as meaning that the territorial borders of the Member States should be disregarded in the assessment of whether a trade mark has been put to ‘genuine use in the Community’ within the meaning of that provision.

A Community trade mark is put to ‘genuine use’ within the meaning of Article 15(1) of Regulation No 207/2009 when it is used in accordance with its essential function and for the purpose of maintaining or creating market share within the European Community for the goods or services covered by it. It is for the referring court to assess whether the conditions are met in the main proceedings, taking account of all the relevant facts and circumstances, including the characteristics of the market concerned, the nature of the goods or services protected by the trade mark and the territorial extent and the scale of the use as well as its frequency and regularity”.

23. In *London Taxi*, Arnold J. also reviewed the case law since the *Leno* case and concluded as follows:

“228. Since the decision of the Court of Justice in *Leno* there have been a number of decisions of OHIM Boards of Appeal, the General Court and national courts with respect to the question of the geographical extent of the use required for genuine use in the Community. It does not seem to me that a clear picture has yet emerged as to how the broad principles laid down in *Leno* are to be applied. It is sufficient for present purposes to refer by way of illustration to two cases which I am aware have attracted comment.

229. In Case T-278/13 *Now Wireless Ltd v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* the General Court upheld at [47] the finding of the Board of Appeal that there had been genuine use of the contested mark in relation to the services in issues in London and the

Thames Valley. On that basis, the General Court dismissed the applicant's challenge to the Board of Appeal's conclusion that there had been genuine use of the mark in the Community. At first blush, this appears to be a decision to the effect that use in rather less than the whole of one Member State is sufficient to constitute genuine use in the Community. On closer examination, however, it appears that the applicant's argument was not that use within London and the Thames Valley was not sufficient to constitute genuine use in the Community, but rather that the Board of Appeal was wrong to find that the mark had been used in those areas, and that it should have found that the mark had only been used in parts of London: see [42] and [54]-[58]. This stance may have been due to the fact that the applicant was based in Guildford, and thus a finding which still left open the possibility of conversion of the Community trade mark to a national trade mark may not have sufficed for its purposes.

230. In *The Sofa Workshop Ltd v Sofaworks Ltd* [2015] EWHC 1773 (IPEC), [2015] ETMR 37 at [25] His Honour Judge Hacon interpreted *Leno* as establishing that "genuine use in the Community will in general require use in more than one Member State" but "an exception to that general requirement arises where the market for the relevant goods or services is restricted to the territory of a single Member State". On this basis, he went on to hold at [33]-[40] that extensive use of the trade mark in the UK, and one sale in Denmark, was not sufficient to amount to genuine use in the Community. As I understand it, this decision is presently under appeal and it would therefore be inappropriate for me to comment on the merits of the decision. All I will say is that, while I find the thrust of Judge Hacon's analysis of *Leno* persuasive, I would not myself express the applicable principles in terms of a general rule and an exception to that general rule. Rather, I would prefer to say that the assessment is a multi-factorial one which includes the geographical extent of the use".

24. The General Court (“GC”) restated its interpretation of *Leno Merken* in Case T-398/13, *TVR Automotive Ltd v OHIM* (see paragraph 57 of the judgment). This case concerned national (rather than local) use of what was then known as a Community trade mark (now a European Union trade mark). Consequently, in trade mark opposition and cancellation proceedings, the registrar continues to entertain the possibility that use of an EUTM in an area of the Union corresponding to the territory of one Member State may be sufficient to constitute genuine use of an EUTM. This applies even where there are no special factors, such as the market for the goods being limited to that area of the Union.

25. Whether the use shown is sufficient for this purpose will depend on whether there has been real commercial exploitation of the EUTM, in the course of trade, sufficient to create or maintain a market for the goods at issue in the Union during the relevant 5-year period. In making the required assessment I am required to consider all relevant factors, including:

- i) The scale and frequency of the use shown
- ii) The nature of the use shown
- iii) The goods and services for which use has been shown
- iv) The nature of those goods and the market(s) for them
- iv) The geographical extent of the use shown

26. I begin by noting that the opponent’s evidence has been provided not by an employee of the opponent but by its professional representative. That is not a wholly satisfactory state of affairs, as it means that all of the evidence is second hand. However, given that the statements of fact in the witness statement are supported by documentary evidence, and there is no reason to doubt their veracity, the evidence will be given reasonable weight. Further, the primary points set out, such as the level of sales, will be accepted as fact.

27. There is use of the earlier marks in the form as registered. Nothing turns on the use of the marks in upper, lower or a combination of upper and lower case, which is permitted under the principle of fair and notional use. As far as the use as part of the device mark shown at paragraph 15, above, is concerned, the CJEU held in *Colloseum Holdings AG v Levi Strauss & Co.*, Case C-12/12, paragraph 32, that use of a mark includes “both its independent use and its use as part of another mark taken as a whole or in conjunction with that other mark”. The use of “THE WHITE COMPANY” in a thin frame and above the word “LONDON” is acceptable use of the mark alongside other matter, in accordance with the guidance in *Colloseum*.

28. The sales figures are significant. Even in the absence of a breakdown, annual UK sales figures in excess of £100 million are more than enough to establish sufficiency of sales for the genuine use assessment, for both earlier marks. Whilst more detailed evidence in relation to the precise goods relied upon would have been helpful, given the range of goods shown in the evidence, over the relevant period, I am satisfied that a not insignificant part of the total sales figures is likely to relate to the goods for which use has been shown. The question of what those goods are, and the specification which may be relied upon by the opponent, are the matters to which I now turn.

29. In *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*, BL O/345/10, Geoffrey Hobbs Q.C. as the Appointed Person summed up the law as being:

“In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned”.

30. In *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors* [2016] EWHC 3103 (Ch), Mr Justice Carr summed up the law relating to partial revocation as follows.

“iii) Where the trade mark proprietor has made genuine use of the mark in respect of some goods or services covered by the general wording of the specification, and not others, it is necessary for the court to arrive at a fair specification in the circumstance, which may require amendment; *Thomas Pink Ltd v Victoria's Secret UK Ltd* [2014] EWHC 2631 (Ch) ("Thomas Pink") at [52].

iv) In cases of partial revocation, pursuant to section 46(5) of the Trade Marks Act 1994, the question is how would the average consumer fairly describe the services in relation to which the trade mark has been used; *Thomas Pink* at [53].

v) It is not the task of the court to describe the use made by the trade mark proprietor in the narrowest possible terms unless that is what the average consumer would do. For example, in *Pan World Brands v Tripp Ltd* (Extreme Trade Mark) [2008] RPC 2 it was held that use in relation to holdalls justified a registration for luggage generally; *Thomas Pink* at [53].

vi) A trade mark proprietor should not be allowed to monopolise the use of a trade mark in relation to a general category of goods or services simply because he has used it in relation to a few. Conversely, a proprietor cannot reasonably be expected to use a mark in relation to all possible variations of the particular goods or services covered by the registration. *Maier v Asos Plc* [2015] EWCA Civ 220 ("Asos") at [56] and [60].

vii) In some cases, it may be possible to identify subcategories of goods or services within a general term which are capable of being viewed

independently. In such cases, use in relation to only one subcategory will not constitute use in relation to all other subcategories. On the other hand, protection must not be cut down to those precise goods or services in relation to which the mark has been used. This would be to strip the proprietor of protection for all goods or services which the average consumer would consider to belong to the same group or category as those for which the mark has been used and which are not in substance different from them; *Mundipharma AG v OHIM* (Case T-256/04) ECR II-449; EU:T:2007:46”.

31. The evidence shows that the marks have been used in relation to a range of different goods in class 3, such as soap, bath and shower gel, body lotion and hand cream. The term “cosmetics” is defined as “a preparation applied to the body, especially the face, to improve its appearance”.¹⁵ In the absence of any submissions or evidence that “cosmetics” should be construed more restrictively, I proceed on that basis. The goods listed above in relation to which use has been shown are all, therefore, covered by the terms “cosmetics and toiletries”. Given the range of goods for which use has been shown, the opponent may rely on these broad terms. There is also use in relation to goods such as scent diffusers and fragrance for the home, as well as for eau de toilette. As with the terms discussed above, it is not appropriate, given the range of goods, to restrict further the specified “perfumes” or “perfumery” goods. Essential oils are natural oils extracted from plants or other sources.¹⁶ Whilst they may be used as ingredients in toiletries or in perfumery, I can see no use in relation to essential oils per se. Nor can I see any use in relation to incense or pot pourri.

32. In class 18 (only applicable to the 578 mark), the evidence shows that the opponent has used the mark in relation to a range of bags, including handbags, as well as purses, cases and goods such as card holders. There is no evidence that the opponent has sold unfinished leathers or imitations of leather, nor is there evidence of use in relation to

¹⁵http://www.oxfordreference.com/view/10.1093/acref/9780199571123.001.0001/m_en_gb0182380?rskey=7XTUWk&result=1 [accessed 1 August 2018]

¹⁶http://www.oxfordreference.com/view/10.1093/acref/9780199571123.001.0001/m_en_gb0274090?rskey=QyrR0H&result=1 [accessed 1 August 2018]

umbrellas, parasols and walking sticks, leather desk sets and office sets. Although various other leather goods are shown in the evidence (e.g. key rings, jewellery boxes), these are not proper to class 18. Given the range of goods in class 18 for which use has been shown, I consider it appropriate to restrict the specification to “bags, wallets and other carriers”.

33. In class 25, there is clear evidence that there has been use on or in relation to a range of men’s and women’s clothing, as well as more limited evidence of use in relation to various types of shoes, slippers and socks, hats and earmuffs. There is also evidence that there has been use in relation to items of children’s clothing. I note that the children’s clothing is sold under the sub-brand “the little white company” (figurative) but there is nothing to suggest that this detracts from the use of the main brand on the front of the catalogue and in the web address on the children’s clothing pages.

34. Accordingly, I consider that a fair specification for the 213 mark is:

Class 3: Perfumes and perfumery; cosmetics and toiletries.

Class 25: Clothing; footwear; headgear

35. A fair specification for the 578 mark is:

Class 3: Perfumery; cosmetics and toiletries

Class 18: Bags, wallets and other carriers.

Class 25: Clothing; footwear; headgear

Section 5(2)(b)

36. The opposition is based upon s. 5(2)(b) of the Act, which reads as follows:

“5 (2) A trade mark shall not be registered if because -

[...]

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark”.

37. The following principles are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P. The principles are:

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the

imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

(k) if the association between the marks creates a risk that the public will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of goods

38. In *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T-133/05, the GC confirmed that, even if goods/services are not worded identically, they can still be considered identical if one term falls within the scope of another (or vice versa):

“29. In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by trade mark application (Case T-388/00 *Institut für Lernsysteme v OHIM- Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark”.

Class 3: Fragrances

39. The earlier fair specifications include the terms “perfumes” and “perfumery”. As “perfumery” is an alternative means of describing perfumes in general, “perfumes”, “perfumery” and “fragrances” are all different words which are used to describe the same goods. The goods are identical.

Class 25: Footwear; clothing; jackets; headgear for wear; underwear; socks; coats; jackets; scarfs; sneakers; sneakers [footwear]; trainers; trainers [footwear]; training shoes.

40. Both earlier specifications include “clothing; footwear; headgear”. The same terms in the later specification are self-evidently identical. The remaining goods in the later

specification are all goods which fall within the general terms in the earlier marks. These goods are identical on the principle outlined in *Meric*.

Class 18: Bags

41. The 578 mark may be relied upon for “bags, wallets and other carriers”. The applied-for “bags” are plainly identical to the same term in the earlier specification.

42. As regards the 213 mark, the leading cases indicate that all the relevant factors must be taken into account when assessing the similarity between goods. These factors include the intended purpose, users, nature and method of use of the goods, as well as their channels of trade (including whether they are sold close to one another in retail premises), whether they are in competition or whether they are complementary.¹⁷ In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06, the GC stated that “complementary” means:

“[...] there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking”.

43. In *Gitana SA, v OHIM*, Case T-569/11, the GC stated that:

“45. Moreover, in respect of the relationship between the ‘goods in leather and imitations of leather’ in Class 18 covered by the trade mark sought and the goods in Class 25 covered by the earlier mark, it is apparent also from settled case-law that the ‘goods in leather and imitations of leather’ include

¹⁷ *Canon*, at [23]; *British Sugar Plc v James Robertson & Sons Ltd* [1996] RPC 281, p. 127.

clothing accessories such as ‘bags or wallets’ made from that raw material and which, as such, contribute, with clothing and other clothing goods, to the external image (‘look’) of the consumer concerned, that is to say coordination of its various components at the design stage or when they are purchased. Furthermore, the fact that those goods are often sold in the same specialist sales outlets is likely to facilitate the perception by the relevant consumer of the close connections between them and support the impression that the same undertaking is responsible for the production of those goods. It follows that some consumers may perceive a close connection between clothing, footwear and headgear in Class 25 and certain ‘goods made of these materials [leather and imitations of leather] and not included in other classes’ in Class 18 which are clothing accessories. Consequently, clothing, shoes and headgear in Class 25 bear more than a slight degree of similarity to a category of ‘goods made of these materials [leather and imitations of leather] and not included in other classes’ in Class 18 consisting of clothing accessories made of those materials (see, to that effect, *PiraÑAM diseño original Juan Bolaños*, paragraph 42 above, paragraphs 49 to 51; *exē*, paragraph 42 above, paragraph 32; and *GIORDANO*, paragraph 42 above, paragraphs 25 to 27).”

44. I see no reason why the above would not apply to the goods in class 25 of the 213 mark and the later specification in class 18. Bearing in mind their different natures, purpose and method of use, I consider that these goods are similar to a medium degree.

The average consumer and the nature of the purchasing act

45. It is necessary for me to determine who the average consumer is for the respective parties’ goods. I must then decide the manner in which these goods are likely to be selected by the average consumer in the course of trade. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For

the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods and services in question: *Lloyd Schuhfabrik*.

46. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

“60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median”.

47. The parties have not made any submissions regarding the identity of the average consumer.

48. The average consumer of the goods at issue, which are general consumer goods, is a member of the general public. The average consumer will wish to ensure that the goods are, for example, the desired scent, fit, colour or style. Consequently, an average degree of attention will be paid to their selection. The goods at issue are generally sold through bricks and mortar retail premises (such as shops on the high street or in supermarkets) and online. The goods will normally be chosen via self-selection from a shelf or a website, or perhaps from a catalogue. In relation to clothing, in *New Look Limited v OHIM*, joined cases T-117/03 to T-119/03 and T-171/03, the GC stated that:

“50. [...] Generally in clothes shops customers can themselves either choose the clothes they wish to buy or be assisted by the sales staff. Whilst oral communication in respect of the product and the trade mark is not excluded,

the choice of the item of clothing is generally made visually. Therefore, the visual perception of the marks in question will generally take place prior to purchase. Accordingly the visual aspect plays a greater role in the global assessment of the likelihood of confusion”.

49. Essentially the same considerations apply to all of the goods at issue. Whilst I do not rule out that there may be an aural component (for example, perfume selection may be discussed at the perfume counter in a chemist or department store), consumers are unlikely to purchase the goods without being exposed to the marks on the goods themselves or on packaging. When considered overall, the selection process will be mainly visual for all of the goods at issue.

Comparison of trade marks

50. It is clear from *Sabel* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in *Bimbo*, that:

“[...] it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion”.

51. It would be wrong, therefore, artificially to dissect the trade marks, although it is necessary to take into account the distinctive and dominant components of the marks. Due weight must be given to any other features which are not negligible and therefore

contribute to the overall impressions created by the marks. The marks to be compared are:

Earlier marks	Contested mark (series of two)
THE WHITE COMPANY	(i) The Black Company (ii) BlackCompany

52. The applicant has not commented specifically on the similarity between the marks. The opponent submits in its statement of grounds that “[the] dominant and distinctive element of the earlier mark and [mark (i), above] is the way in which the words are combined”. It claims that the structure of the marks leads to visual and aural similarity and that there is a very high degree of conceptual similarity because:

“both marks describe a company using a colour; the use of the words “black” and “white” increases the possibility of a conceptual association between the signs based on the fact that, often, opposites are kept in memory as “pairs”.

53. It claims that mark (ii), above, is similar to the earlier mark “for the same reasons save that it does not include the word “THE””.

54. The earlier marks are composed of the words “THE WHITE COMPANY”, presented in capital letters. Although individual words in the marks are non-distinctive, the combination will be seen as a complete phrase, with no one element materially dominant over the others.

55. The first mark in the series applied for comprises the words “The Black Company”, presented in title case. As with the earlier mark, whilst individual elements are non-

distinctive, the overall impression and distinctiveness of the mark rests in the phrase as a whole.

56. The second mark in the series consists of the words “Black” and Company”, in title case and conjoined. Neither word is materially dominant, with the overall impression and distinctiveness of the mark residing in the combination “BlackCompany” as a whole.

THE WHITE COMPANY v The Black Company

57. From both a visual and an aural perspective, both marks share the same structure, beginning with the word “THE”/“The” and ending with the word “COMPANY”/“Company”. However, there is an important difference because the central word in the earlier mark is “WHITE”, which has no visual or aural similarity with the central word in the later mark, “Black”. There is a medium degree of visual and aural similarity.

58. The marks both refer to a company. “THE”/“The” is the definite article and introduces no particular concept. I acknowledge the opponent’s argument that there is conceptual similarity between the marks because both reference a colour. I agree in principle, although my view is that any resulting conceptual similarity is very general in nature. I also acknowledge the three EUIPO decisions cited by the opponent where a conceptual similarity was found between marks which include “BLACK” and “WHITE”. Decisions of the EUIPO are not binding upon me, nor do I find the reasoning, identical in all three decisions, particularly persuasive. The EUIPO held that black and white are “normally perceived as complementary to each other” and that “often, opposites are kept together as ‘pairs’”. In the instant case, there is no evidence to that effect. Moreover, I do not consider that the fact that black and white are opposites increases the conceptual similarity between the marks; indeed, the fact that the colours are opposites rather implies the reverse. Overall, I consider that there is a medium degree of conceptual similarity between the marks.

THE WHITE COMPANY v BlackCompany

59. Whilst the later mark in this instance lacks the word “The”, I consider that the conceptual position is the same as for the comparison effected above. The inclusion of “The” does not, in my view, materially reduce the conceptual similarity. These marks are conceptually similar to a medium degree.

60. Visually and aurally, the earlier mark consists of three words, whilst the later mark comprises two words, which are conjoined. Nevertheless, both marks share the same word “COMPANY”/“Company”, albeit as the final element of each mark. Whilst these marks have a little less visual and aural similarity, I would still assess this at a medium degree.

Distinctive character of the earlier trade marks

61. The distinctive character of a trade mark can be appraised only, first, by reference to the goods in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public – *Rewe Zentral AG v OHIM (LITE)* [2002] ETMR 91. In determining the distinctive character of a trade mark and, accordingly, in assessing whether it is highly distinctive, it is necessary to make an overall assessment of the greater or lesser capacity of the trade mark to identify the goods for which it has been registered as coming from a particular undertaking and thus to distinguish those goods from those of other undertakings - *Windsurfing Chiemsee v Huber and Attenberger* Joined Cases C-108/97 and C-109/97 [1999] ETMR 585. In *Lloyd Schuhfabrik*, the CJEU stated that:

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from

those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-2779, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51)".

62. The opponent claims that the use it has made of its marks has enhanced their distinctive character. On the face of it, annual UK turnover in excess of £100 million sustained over a five-year period is impressive. Whilst higher "total turnover" figures are provided, the extent to which they relate to the EU market is not clear, so they do not assist the opponent. However, whilst I note that, at least by the date of publication, the opponent had in the region of fifty stores throughout the UK, there is no evidence going to market share. More particularly, the turnover figures are not broken down so, despite evidence that the opponent has been operating since 1994, there is no way for me to determine the level of sales in relation to the goods relied upon and what may be attributable to the other goods sold, such as bedding and furniture. No advertising figures are provided and although Mr Kavanagh claims that the catalogues in evidence were distributed throughout the EU,¹⁸ there is no evidence of the scale of distribution, either in the UK or in the EU. On the evidence provided, I am not satisfied that either mark benefits from an enhanced level of distinctive character.

¹⁸ Witness statement, §14.

63. That leaves the inherent position. Individually, the words “THE” and “COMPANY” are non-distinctive, simply signalling the nature of the entity. “WHITE” is a very common word, being either a colour or a surname; whilst it is not descriptive for all of the goods, it is not imbued with a particularly high level of distinctiveness. As a combination, the mark “THE WHITE COMPANY” is fairly low in inherent distinctive character.

Likelihood of confusion

64. There is no simple formula for determining whether there is a likelihood of confusion. The factors considered above have a degree of interdependency (*Canon* at [17]). I must make a global assessment of the competing factors (*Sabel* at [22]), considering the various factors from the perspective of the average consumer and deciding whether the average consumer is likely to be confused. In making my assessment, I must keep in mind that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he has retained in his mind (*Lloyd Schuhfabrik* at [26]).

65. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other. The concept of indirect confusion was explained by Iain Purvis Q.C., sitting as the Appointed Person, in *L.A. Sugar Limited v By Back Beat Inc*, Case BL-O/375/10 as follows:

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: “The later mark is

different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark”.

66. In *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17, James Mellor Q.C., sitting as the Appointed Person, stressed that a finding of indirect confusion should not be made merely because the two marks share a common element. In this connection, he pointed out that it is not sufficient that a mark merely calls to mind another mark. This is mere association not indirect confusion.

67. I will consider first the identical goods. That is the strongest position for the opponent because the interdependency principle dictates that the more similarity there is between the goods, the more likely it is that the consumer will be confused. There is a medium degree of visual, aural and conceptual similarity between the marks. However, the earlier mark is inherently distinctive only to a fairly low degree. In making my decision, I must be alert to where the distinctiveness lies. In this case, the common elements are, individually, non-distinctive. In *Kurt Geiger v A-List Corporate Limited*, BL O/075/13, Mr Purvis, again sitting as the Appointed Person, pointed out that the level of ‘distinctive character’ is only likely to increase the likelihood of confusion to the extent that it resides in the element(s) of the marks that are identical or similar. He said:

“38. The Hearing Officer cited *Sabel v Puma* at paragraph 50 of her decision for the proposition that ‘the more distinctive it is, either by inherent nature or by use, the greater the likelihood of confusion’. This is indeed what was said in *Sabel*. However, it is a far from complete statement which can lead to error if applied simplistically.

39. It is always important to bear in mind what it is about the earlier mark which gives it distinctive character. In particular, if distinctiveness is provided by an aspect of the mark which has no counterpart in the mark alleged to be

confusingly similar, then the distinctiveness will not increase the likelihood of confusion at all. If anything it will reduce it”.

68. In other words, simply considering the level of distinctive character possessed by the earlier mark is not enough. It is important to ask ‘in what does the distinctive character of the earlier mark lie?’ Only after that has been done can a proper assessment of the likelihood of confusion be carried out.

69. I indicated, above, that the distinctiveness of the marks at issue resides in the whole, rather than in the individual elements. Taking first “The Black Company”, the structure of the mark is plainly the same as that of the earlier marks (definite article, adjective, noun). Two of the three elements are identical but individually these elements are non-distinctive. The different words are both colours. However, they are different, indeed opposite colours. Notwithstanding the views expressed in decisions of the EUIPO on the matter, I can see no reason why the average consumer would think ‘black’ was ‘white’, and I do not think that the shared structure of the marks compensates in the opponent’s favour for the opposing colours: the average consumer, paying an average degree of attention, will not directly confuse “THE WHITE COMPANY” with “The Black Company”. I consider that the same applies to the contested “BlackCompany”: notwithstanding the presence of a colour and the word “COMPANY”/“Company” in both marks, there will be no direct confusion. As far as indirect confusion is concerned, the later marks will call the earlier marks to mind. However, I consider this to be the type of connection identified in *Duebros* by Mr Mellor: there will be mere association, not indirect confusion. I can see no logical reason why the consumer would assume that either of the applied-for trade marks is a variant or new brand of the company behind “THE WHITE COMPANY” trade marks, or any other reason why the consumer would assume an economic connection between the respective undertakings. There is no likelihood of indirect confusion.

70. In making my decision, I have taken note of the previous decisions of the Registry and of the EUIPO opposition division, relied upon by the opponent in its statement of

grounds. These decisions are not, in my view, on all fours with the instant case, not least because any common elements are more distinctive than the shared elements in the marks before me. Even if they did more closely reflect the issues in these proceedings, neither previous decisions of this office nor of the EUIPO are binding upon me.

71. There being no likelihood of confusion in respect of identical goods, it follows that there is no likelihood of confusion in respect of those goods which are only similar. The opposition under s. 5(2)(b) is dismissed.

Section 5(4)(a)

72. Section 5(4)(a) states:

“A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented –

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or

(b) [.....]

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of “an earlier right” in relation to the trade mark”.

73. In *Discount Outlet v Feel Good UK*, [2017] EWHC 1400 IPEC, Her Honour Judge Melissa Clarke, sitting as a deputy Judge of the High Court stated that:

“55. The elements necessary to reach a finding of passing off are the ‘classical trinity’ of that tort as described by Lord Oliver in the *Jif Lemon* case (*Reckitt & Colman Product v Borden* [1990] 1 WLR 491 HL, [1990] RPC 341,

HL), namely goodwill or reputation; misrepresentation leading to deception or a likelihood of deception; and damage resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all three limbs.

56 In relation to deception, the court must assess whether "*a substantial number*" of the Claimants' customers or potential customers are deceived, but it is not necessary to show that all or even most of them are deceived (per *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21)".

74. Whether there has been passing off must be judged at a particular point (or points) in time. In *Advanced Perimeter Systems Limited v Multisys Computers Limited*, BL O/410/11, Daniel Alexander QC, sitting as the Appointed Person, considered the matter of the relevant date in a passing off case. He said:

"43. In *SWORDERS TM* O-212-06 Mr Alan James acting for the Registrar well summarised the position in s.5(4)(a) proceedings as follows:

'Strictly, the relevant date for assessing whether s.5(4)(a) applies is always the date of the application for registration or, if there is a priority date, that date: see Article 4 of Directive 89/104. However, where the applicant has used the mark before the date of the application it is necessary to consider what the position would have been at the date of the start of the behaviour complained about, and then to assess whether the position would have been any different at the later date when the application was made.'".

75. There is no claim and no evidence that the contested mark was in use prior to the date of application. That being the case, the relevant date is 25 January 2017.

76. The House of Lords in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 (HOL) provided the following guidance regarding goodwill:

“What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start”.

77. I am satisfied, for the reasons given at paragraphs 27 to 35, above, that the opponent had generated a protectable goodwill in respect of perfumes and perfumery, bags, clothing, footwear, headgear and that the sign “THE WHITE COMPANY” was distinctive of the opponent’s UK trade at the relevant date. However, the case under s. 5(4)(a) falls down at this point. For the reasons given in my finding under s. 5(2)(b), the contested mark is unlikely to be mistaken for the earlier mark and there is no likelihood that “a substantial number” of the opponent’s customers or potential customers will be deceived. Consequently, use of the contested mark would not constitute a misrepresentation to the public. The s. 5(4)(a) ground of opposition is dismissed.

Section 5(3)

78. Section 5(3) states:

“(3) A trade mark which-

(a) is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a European Union trade mark or international trade mark (EC), in the European Union) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark”.

79. The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, [1999] ETMR 950, Case 252/07, *Intel*, [2009] ETMR 13,

Case C-408/01, *Adidas-Salomon*, [2004] ETMR 10 and C-487/07, *L'Oreal v Bellure* [2009] ETMR 55 and Case C-323/09, *Marks and Spencer v Interflora*. The law appears to be as follows.

a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors*, paragraph 24.

(b) The trade mark for which protection is sought must be known by a significant part of that relevant public; *General Motors*, paragraph 26.

(c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Saloman*, paragraph 29 and *Intel*, paragraph 63.

(d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark's reputation and distinctiveness; *Intel*, paragraph 42.

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel*, paragraph 68; whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel*, paragraph 79.

(f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the

earlier mark is registered, or a serious risk that this will happen in future; *Intel*, paragraphs 76 and 77.

(g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel*, paragraph 74.

(h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact on the earlier mark; *L'Oreal v Bellure NV*, paragraph 40.

(i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora*, paragraph 74 and the court's answer to question 1 in *L'Oreal v Bellure*).

Reputation

80. In *General Motors*, Case C-375/97, the CJEU held that:

“25. It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined.

26. The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.

27. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.

28. Territorially, the condition is fulfilled when, in the terms of Article 5(2) of the Directive, the trade mark has a reputation 'in the Member State'. In the absence of any definition of the Community provision in this respect, a trade mark cannot be required to have a reputation 'throughout' the territory of the Member State. It is sufficient for it to exist in a substantial part of it”.

81. Given my findings in relation to genuine use, the opponent may only rely under this ground on those goods for which I have found genuine use.

82. I am aware that in *Enterprise Europcar Group UK Ltd*, Arnold J stated that proving a reputation “is not a particularly onerous requirement”.¹⁹ However, the evidence before Arnold J. in that case showed that the claimant was in fact the market-leading car hire

¹⁹ [2015] EWHC 17 (Ch)

company in the UK with a 30% share of the UK market. It was in that context that the judge said that proving a reputation is not “particularly onerous”. In the instant proceedings, there is neither evidence of the size of the relevant UK or EU market, nor of the opponent’s share within it. Given the goods at issue, both markets are likely to be huge. The turnover figures which have been provided are not broken down, so there is no way for me to determine the extent of sales in relation to the goods at issue. There is no evidence of advertising spend or marketing activity. Taking into account all of the evidence, I am not satisfied that the opponent has demonstrated a qualifying reputation for the purposes of s. 5(3). The opposition under s. 5(3) falls at the first hurdle and is dismissed accordingly.

Link/unfair advantage/detriment to distinctive character

83. In case of appeal, I will also give my views on whether, if the consumer made the required link between the marks, the opposition would succeed. The marks have a medium degree of visual, aural and conceptual similarity. The earlier mark is inherently distinctive to a fairly low degree and the strength of any reputation would be modest. Notwithstanding the lack of confusion, I have already indicated that the average consumer may bring to mind the earlier mark when exposed to the later mark. Had the opponent demonstrated the requisite reputation, I would have held that there would be a link. However, even if a link was made, I would have held that any such link would be too weak to affect the economic behaviour of the consumers at issue. While there are obvious similarities between the marks, any link would be too fleeting for the reputation of the opponent to transfer to the later mark in such a way as to give an unfair advantage.

84. The complaint about detriment to the distinctive character of the earlier mark is essentially one of dilution. In *Environmental Manufacturing LLP v OHIM*, Case C383/12P, the CJEU stated that:

“37. [...] The mere fact that consumers note the presence of a new sign similar to an earlier sign is not sufficient of itself to establish the existence of a detriment or a risk of detriment to the distinctive character of the earlier mark within the meaning of Article 8(5) of Regulation No 207/2009, in as much as that similarity does not cause any confusion in their minds”.

85. The CJEU has thus made it clear that there must be evidence that use of the contested mark is likely to lead to a change in the economic behaviour of consumers of the goods covered by the earlier marks. Such evidence may be based on logical deductions but it may not be supposition or theoretical notions. In my view, the evidence falls far short of establishing that there would be a probable change in the economic behaviour of consumers of the opponent’s goods. The claim to damage to the distinctive character of the earlier marks would therefore also have been rejected.

86. Finally, I note in the opponent’s submissions a claim that the opponent’s reputation would be tarnished if the applicant’s goods were of a lesser quality. In my view, if such a claim were to be run, it should have been distinctly pleaded in the form TM7. The fact that it was not would suffice for me to dismiss the claim. However, even if such a claim had been pleaded, the argument that the reputation of “THE WHITE COMPANY” will be damaged if the contested mark is used in relation to goods of inferior quality is hypothetical and must be rejected on that basis alone.²⁰

Costs

87. The applicant has been successful and would ordinarily be entitled to an award of costs. However, as the applicant is an unrepresented party, the tribunal wrote to the applicant and asked it to complete and return a costs pro-forma if it intended to seek an award of costs. It was advised that, if the pro-forma was not returned, no award of costs

²⁰ See the decision of Anna Carboni, sitting as the Appointed Person, in *Unite The Union v The Unite Group Plc*, BL O/219/13.

would be made. The pro-forma has not been received by the tribunal and I therefore direct that the parties bear their own costs.

Dated this 8th day of August 2018

**Heather Harrison
For the Registrar**